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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/711,705	09/30/2004	Henry W. Grant, Jr.	1898US1.014033.047	5704

24239 7590 10/06/2010
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EXAMINER

NORMAN, SAMICA L

ART UNIT	PAPER NUMBER
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3693

MAIL DATE	DELIVERY MODE
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10/06/2010

PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.



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**BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES**

Application Number: 10/711,705
Filing Date: September 30, 2004
Appellant(s): GRANT, JR. ET AL.

Grant, Henry and Reynolds, Tyler
For Appellant

EXAMINER'S ANSWER

This is in response to the appeal brief filed September 16, 2010 appealing from the Office action mailed March 16, 2010.

(1) Real Party in Interest

The examiner has no comment on the statement, or lack of statement, identifying by name the real party in interest in the brief.

(2) Related Appeals and Interferences

The examiner is not aware of any related appeals, interferences, or judicial proceedings which will directly affect or be directly affected by or have a bearing on the Board's decision in the pending appeal.

(3) Status of Claims

The following is a list of claims that are rejected and pending in the application:

Claims 1, 4-14, 16, 17, 19, 20, 23-27 and 30-42 are pending.

Claims 11-14, 16, 17, 19, 20, 23-26 and 37-42 are rejected.

Claims 2, 3, 15, 18, 21, 22, 28 and 29 are cancelled.

(4) Status of Amendments After Final

The examiner has no comment on the appellant's statement of the status of amendments after final rejection contained in the brief.

(5) Summary of Claimed Subject Matter

The examiner has no comment on the summary of claimed subject matter contained in the brief.

(6) Grounds of Rejection to be Reviewed on Appeal

The examiner has no comment on the appellant's statement of the grounds of rejection to be reviewed on appeal. Every ground of rejection set forth in the Office action from which the appeal is taken (as modified by any advisory actions) is being maintained by the examiner except

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for the grounds of rejection (if any) listed under the subheading “WITHDRAWN REJECTIONS.” New grounds of rejection (if any) are provided under the subheading “NEW GROUNDS OF REJECTION.”

(7) Claims Appendix

The examiner has no comment on the copy of the appealed claims contained in the Appendix to the appellant’s brief.

(8) Evidence Relied Upon

2002/0138407

Lawrence et al.

3-2001

(9) Grounds of Rejection

The following ground(s) of rejection are applicable to the appealed claims:

Claim Rejections - 35 USC § 102

1. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

2. Claims 11-14, 16, 17, 19, 20, 23-26 and 37-42 are rejected under 35 U.S.C. 102(b) as being anticipated by Lawrence et al., U.S. PG-Pub No. 2002/0138407 (reference A on the attached PTO-892).

3. As per claim 11, Lawrence et al. teaches a method to evaluate anti-money laundering risk, comprising: identifying a person or other legal entity to be evaluated (see paragraph 0042, lines 1-4); selecting a country associated with the person or other legal entity; selecting at least

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one financial product or investment associated with the person or other legal entity (see paragraph 0045, lines 3-10); selecting a customer type associated with the person or other legal entity (see paragraph 0048, lines 1-4); determining a risk rating for evaluating anti-money laundering risk, using a computer, based on responses to predetermined criteria or question related to the country, the at least one financial product or investment and the customer type (see paragraph 0048, lines 16-20), wherein determining the risk rating comprises: evaluating a sophistication of the person or other legal entity with respect to the at least one selected financial product or investment (see paragraph 0027, lines 4-7) and; determining the at least one selected financial product or investment's propensity for use for money laundering (see paragraph 0045, lines 3-10); and presenting the risk rating to a user (see paragraph 0054, lines 1-4).

4. As per claim 12, Lawrence et al. teaches the method of claim 11 as described above. Lawrence further teaches wherein determining the risk comprises setting a value corresponding to each of the responses to the predetermined criteria or question (see paragraph 0048, lines 4-8).

5. As per claim 13, Lawrence et al. teaches the method of claim 12 as described above. Lawrence further teaches wherein determining the risk comprises calculating one of an average or a weighted average of the values based on the selected country, the at least one selected financial product or investment and the selected customer type (see paragraph 0037, lines 3-6).

6. As per claim 14, Lawrence et al. teaches the method of claim 11 as described above. Lawrence further teaches wherein determining the risk comprises at least one of: evaluating if the selected country is a cooperative jurisdiction; determining if the selected country was a party to the 1988 United Nations Convention on drugs; evaluating a quality of banking regulation and oversight in the selected country; determining if the selected country is associated with terrorist

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related activity or on the Office of Foreign Asset Control (OFAC) list; evaluating a quality of local laws of the selected country; entering an International Narcotics Strategy Report Rating for the selected country; evaluating a level of government support in the selected country for enforcement of laws and regulations and prosecution of offenses; determining if the selected country is a member of Financial Action Task Force on Money Laundering (FATF); and determining strength of a banking industry in the selected country (see paragraph 0054, lines 6-11).

7. As per claim 16, Lawrence et al. teaches the method of claim 11 as described above. Lawrence further teaches wherein determining the risk comprises at least one of: determining if the person or other legal entity is currently being monitored with respect to financial activity; determining a level of risk of the person or other legal entity being associated with terrorist activity; evaluating a level of knowledge about the person or other legal entity; and determining if the person or other legal entity is known to be a high risk (see paragraph 0045, lines 3-10 and paragraph 0048, lines 16-20).

8. As per claim 17, Lawrence et al. teaches a system to evaluate anti-money laundering risk, comprising: a server (see paragraph 0038, lines 1-5); and a risk rating tool operable on the server (see paragraph 0039, lines 1-6), wherein the risk rating tool is adapted to determine a risk rating of a person or other legal entity to be evaluated based on responses to predetermined criteria related to a selected country associated with the person or other legal entity, at least one selected financial product associated with the person or other legal entity, and a selected customer type (see paragraph 0048, lines 16-20), and wherein the risk rating tool is programmed to determine a risk rating based on responses to the predetermined criteria related to at least one selected

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financial product or investment (see paragraph 0026, lines 9-12 and paragraph 0032, lines 4-6), the predetermined criteria (see paragraph 0032, lines 1-4 and paragraph 0057, lines 1-11) comprising: a customer sophistication with respect to the selected financial product or investment (see paragraph 0024, lines 1-2); a propensity of the selected financial product or investment for use for money laundering (see paragraph 0045, lines 3-10).

9. As per claim 19, Lawrence et al. teaches the system of claim 18 as described above. Lawrence further teaches a value being set corresponding to each of the responses to the predetermined criteria (see paragraph 0048, lines 4-8).

10. As per claim 20, Lawrence et al. teaches the system of claim 19 as described above. Lawrence further teaches wherein the risk rating tool is programmed to calculate one of an average or a weighted average of the values based on the selected country, the at least one selected financial product and the selected customer type (see paragraph 0037, lines 3-6).

11. As per claim 23, Lawrence et al. teaches the system of claim 17 as described above. Lawrence further teaches wherein the risk rating tool is programmed to determine a risk rating based on responses to predetermined criteria related to a selected customer type, the predetermined criteria comprising: a customer currently being monitored with respect to financial activity; a level of risk of the customer being involved in terrorist activity; a level of a financial institutions knowledge of its customer; and the customer being known to be a high risk (see paragraph 0045, lines 3-10 and paragraph 0048, lines 16-20).

12. As per claim 24, Lawrence et al. teaches the system of claim 17 as described above. Lawrence further teaches wherein the risk rating tool is programmed to calculate a risk rating based on a set of values, each value being assigned to one of a plurality of different possible or

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selectable responses or answers for each of a multiplicity of criteria or questions associated with a group including at least one of a selected country, a selected financial product or investment and a selected customer type (see paragraph 0026, lines 9-12 and paragraph 0032, lines 4-6).

13. As per claim 25, Lawrence et al. teaches the system of claim 24 as described above.

Lawrence further teaches a database including reports used to determine each of the set of values (see paragraph 0051, lines 1-2).

14. As per claim 26, Lawrence et al. teaches the system of claim 17 as described above.

Lawrence further teaches wherein the risk rating tool is programmed to present a graphical user interface for a user to select at least one of: if the selected country is a cooperative jurisdiction; if the selected country is on an Office of Foreign Asset Control (OFAC) list; an International Narcotics Strategy Report Rating associated with the selected country; if the selected country is a member of the Financial Task Force on Money Laundering (FATF); if the selected country was a party to a 1988 United Nations Convention; a quality of local laws and regulations associated with the selected country; a level of government support related to enforcement of laws and regulations and prosecution of offenses; a strength of a banking industry associated with the selected country; and a quality of banking regulation and oversight associated with the selected country (see paragraph 0054, lines 6-11).

15. As per claim 37, Lawrence et al. teaches the system of claim 11 as described above.

Lawrence further teaches determining the at least one selected financial product or investment's attractiveness for use by terrorist; evaluating the level of complexity of the at least one selected financial product or investment; determining if the at least one selected financial product or investment is currently monitored for use with respect to illegal activity; determining a level of

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the person or other legal entity's knowledge of the at least one financial product or investment; and determining a level of ease of obtaining and using the at least one financial product or investment (see paragraph 0045 and 0054).

16. As per claim 38, Lawrence et al. teaches the system of claim 11 as described above.

Lawrence further teaches presenting a graphical user interface using a computer processor for a user to select or enter a response or answer to each of a multiplicity of criteria or questions associated with a group including a selected country, a selected financial product or investment, and a selected customer type (see paragraph 0032, lines 1-4 and paragraph 0057, lines 1-11).

17. As per claim 39, Lawrence et al. teaches the system of claim 38 as described above.

Lawrence further teaches identifying the person or other legal entity to be evaluated (see paragraph 0042, lines 1-4); selecting the country associated with the person or other legal entity; selecting the at least one financial product or investment associated with the person or other legal entity (see paragraph 0045, lines 3-10); selecting the customer type associated with the person or other legal entity (see paragraph 0048, lines 1-4).

18. As per claim 40, Lawrence et al. teaches the system of claim 11 as described above.

Lawrence further teaches wherein the determining a risk rating tool comprises calculating a risk rating based on a set of values, each value being assigned to one of a plurality of different possible or selectable responses or answers for each of a multiplicity of criteria or questions associated with a group including at least one of a selected country, a selected financial product or investment and a selected customer type (see paragraph 0026, lines 9-12 and paragraph 0032, lines 4-6).

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19. As per claim 41, Lawrence et al. teaches the system of claim 11 as described above.

Lawrence further teaches defining the multiplicity of criteria or questions comprising at least one of: determining whether the selected country is a cooperative jurisdiction; determining if the selected country is on an Office of Foreign Asset Control (OFAC) list; determining an International Narcotics Strategy Report Rating; determining if the selected country is a member of the Financial Task Force on Money Laundering (FATF); determining if the selected country was a party to a 1988 United Nations Convention; determining a quality of local laws and regulations associated with the selected country; determining a level of government support related to enforcement of laws and regulations and prosecution of offenses; a determining strength of a banking industry associated with the selected country; and determining a quality of banking regulation and oversight associated with the selected country (see paragraph 0054, lines 6-11).

20. As per claim 42, Lawrence et al. teaches the system of claim 17 as described above.

Lawrence further teaches wherein the predetermined criteria is selected or entered into a graphical user interface and comprises: a customer sophistication with respect to the selected financial product or investment (see paragraph 0027, lines 4-7); a propensity of the selected financial product or investment for use for money laundering (see paragraph 0045, lines 3-10); an attractiveness of the selected financial product or investment for use by terrorist; a level of complexity of the financial product or investment (see paragraph 0024, lines 1-2); a current monitoring of the financial product or investment for use with respect to illegal activity; a level of a customer's or public's knowledge of the financial product or investment; and a level of ease of obtaining and using the financial product or investment.

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(10) Response to Argument

Appellant Argues (1): Lawrence does not teach a risk determination system specifically directed towards anti-money laundering.

Examiner's Answer (1): . In response to applicant's arguments, the recitation "anti-money

laundering" has not been given patentable weight because the recitation occurs in the preamble.

A preamble is generally not accorded any patentable weight where it merely recites the purpose

of a process or the intended use of a structure, and where the body of the claim does not depend

on the preamble for completeness but, instead, the process steps or structural limitations are able

to stand alone. See *In re Hirao*, 535 F.2d 67, 190 USPQ 15 (CCPA 1976) and *Kropa v. Robie*,

187 F.2d 150, 152, 88 USPQ 478, 481 (CCPA 1951). However, Lawrence et al. determines risks

that include money laundering. See paragraph 0026.

Appellant Argues (2): There is no teaching or disclosure in Lawrence of "evaluating a

sophistication of the person or other legal entity with respect to the at least one selected financial

product or investment."

Examiner's Answer (2): There is an assessment of the sophistication of the customer that is

involved in a transaction. Lawrence et al. recites "The GRM system 106 can facilitate detection

and reporting of potential violations of law as well as address the 'suitability' of a financial

transaction and/or the assessment of sophistication of a customer." See paragraph 0027. To

assess means to determine the importance, size or value of something. To evaluate means

generally the same thing, to determine or fix the value of something.

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Appellant Argues (3): There is no teaching or suggestion in Lawrence of “determining the at least one selected financial product or investment’s propensity for evaluating anti-money laundering risk.”

Examiner’s Answer (3): In response to applicant's argument that the references fail to show certain features of applicant’s invention, it is noted that the features upon which applicant relies (i.e., “determining the at least one selected financial product or investment’s propensity for evaluating anti-money laundering risk”) are not recited in the rejected claim(s). Although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993).

Appellant Argues (4): Lawrence et al. does not disclose “determining a risk rating for evaluating anti-money laundering risk, using a computer, based on responses to predetermined criteria or question related to the country, the at least one financial product or investment and the customer type.”

Examiner’s Answer (4): Lawrence et al. teaches a risk quotient is calculated based on received information, see paragraph 0048, using a computer, see paragraph 0039. The received information is answers to questions as required by the claims. see paragraphs 0032 and 0045 reproduced below.

[0032] In the case of an automated account opening, such as, for example, opening an online account, questions can be presented to the account opener by a programmable robot via a GUI.

Questions can relate to a particular type of account, a particular type of client, types of investment, or other criteria. Other prompts or questions can aid a financial institution ascertain the identity of an account holder and an account's beneficial owner. If there is information indicating

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that a proposed account is beneficially owned by a high risk entity, the financial institution may not wish to open an account if it is unable to determine the identity of the high risk entity and his or her relationship to the account holder.

[0045] The GRM server 210 can structure the information received according to defined GRM risk quotient criteria 312. For example, **information received can be associated with criteria including a position held by the account holder, the country in which the position is held, how long the position has been held, the strength of the position, the veracity of previous dealings with persons from that country, the propensity of people in similar positions to execute unlawful or unethical transactions, the type of account or other criteria.**

Appellant Argues (5): Lawrence does not teach or suggest that each of the following are performed when determining the risk rating: (1) determining if the person or other legal entity is currently being monitored with respect to financial activity; (2) determining a level of risk of the person or other legal entity being associated with terrorist activity; (3) evaluating a level of knowledge about the person or other legal entity; and (4) determining if the person or other legal entity is known to be a high risk.

Examiner's Answer (5): To further clarify Lawrence et al teaches (1) determining if the person or other legal , lines entity is currently being monitored with respect to financial activity (see paragraph 0044 and paragraph 0048, lines 13-16) ; (2) determining a level of risk of the person or other legal entity being associated with terrorist activity (see paragraph 0048, lines 1-4); (3) evaluating a level of knowledge about the person or other legal entity (see paragraph 0045, lines 3-10); and (4) determining if the person or other legal entity is known to be a high risk (see paragraph 0044).

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Appellant Argues (6): Claim 17 recited limitations similar to Claim 11 and is allowable for at least the same reason alone.

Examiner's Answer (6): See Examiner's Answer (1)-(4).

Appellant Argues (7): There is no teaching or suggestion in Lawrence of (1)determining the at least one selected financial product or investment's attractiveness for use by terrorist; (2)evaluating the level of complexity of the at least one selected financial product or investment; (3)determining if the at least one selected financial product or investment is currently monitored for use with respect to illegal activity; (4)determining a level of the person or other legal entity's knowledge of the at least one financial product or investment; and (5)determining a level of ease of obtaining and using the at least one financial product or investment.

Examiner's Answer (7): Claim 37 recites the phrase "at least one of." Therefore, only one limitation is required for a proper claim rejection. FATF monitors and reports out on suspicious individuals, accounts, sectors, etc. Lawrence et al. teaches receives information from FATF concerning individuals, accounts and transactions. Therefore, Lawrence et al. teaches (3)determining if the at least one selected financial product or investment is currently monitored for use with respect to illegal activity. See paragraphs 0044 and 0045.

Appellant Argues (8): Nowhere does Lawrence disclose any of the limitations of claim 38.

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Examiner's Answer (8): Lawrence et al. teaches a GUI prompts the user to answer questions.

See paragraph 0038. The types of questions that are asked are in paragraphs 0032 and 0045

(reproduced above for Examiner's Answer (4)).

(11) Related Proceeding(s) Appendix

No decision rendered by a court or the Board is identified by the examiner in the Related Appeals and Interferences section of this examiner's answer.

For the above reasons, it is believed that the rejections should be sustained.

Respectfully submitted,

Samica Norman

/Samica L Norman/
Examiner, Art Unit 3693

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